

# PAPER MONEY

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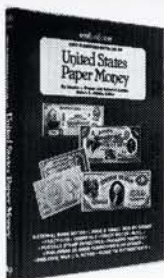
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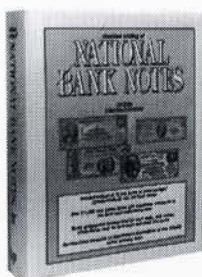
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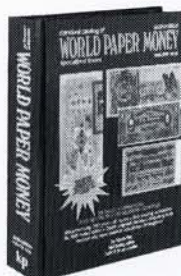
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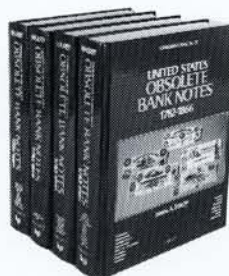
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# PAPER MONEY

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**GENE HESSLER, Editor**  
**P.O. Box 8147**  
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ON THE COVER: *Columbus in His Study*, as seen on the \$1,000 United States note, was engraved by Henry Gugler.

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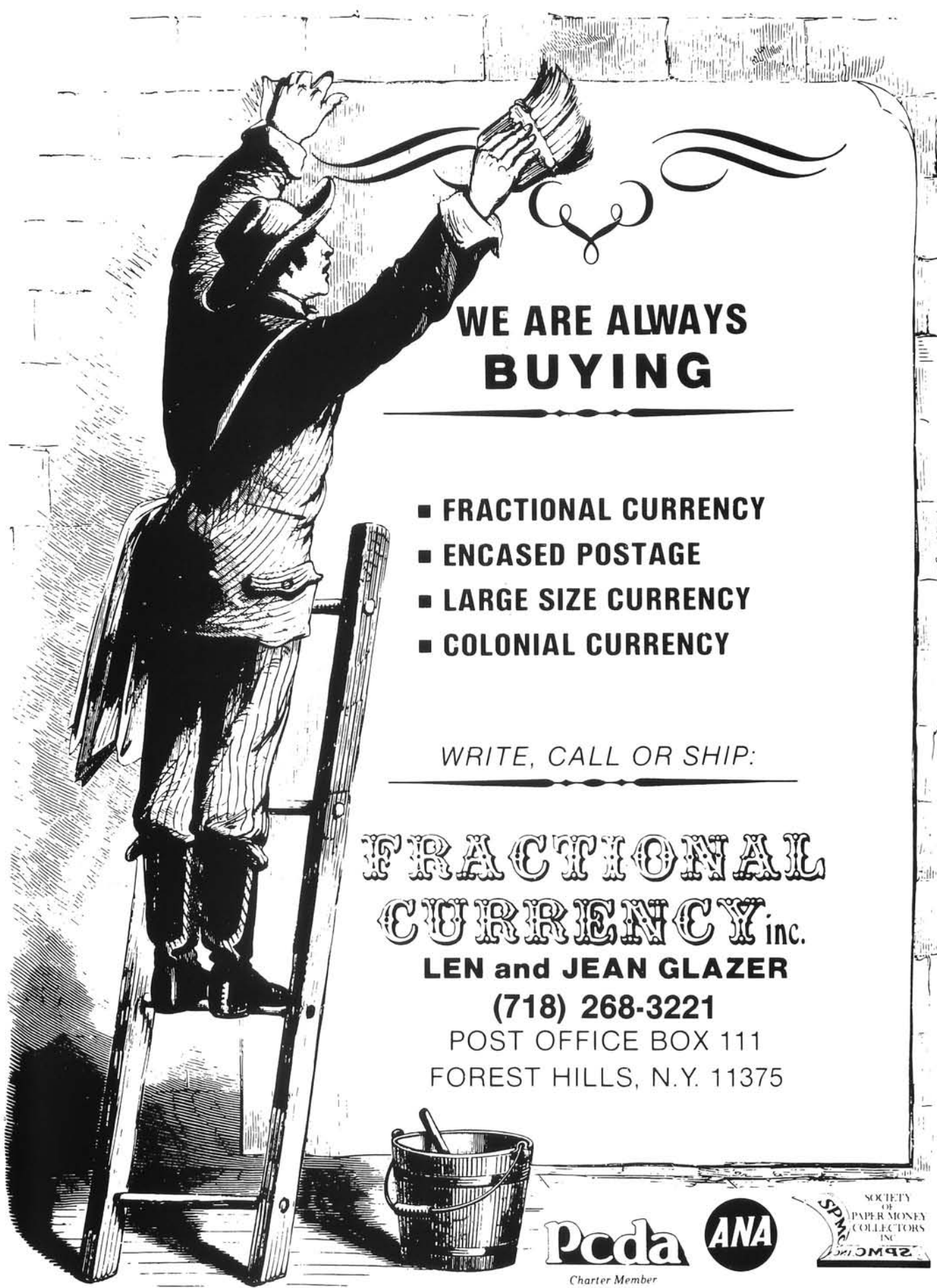
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# Against All Odds: Frank Levitan's Collection of Westchester County, NY National Bank Notes

by ROBERT R. MOON

**F**OR collectors of national bank notes of New York State, one of the most competitive areas these days would be locating notes from national banks in Westchester County. Notes from better banks in this county just north of New York City command extraordinary prices when they come onto the marketplace, well out of all proportion to banks of similar rarity in other parts of the Empire State. It is not uncommon for Westchester County notes on a Rarity 5 scale (3 to 5 notes known) to bring four-figure prices at auction. On a bank classified as Rarity 6 (0 to 2 notes known), the sky is the limit. Even commoner banks bring healthy prices.

To help explain this phenomenon, a look at the history of the county is in order. For many years Westchester County has been a bedroom community of New York City and contains many of the "Big Apple's" wealthier suburbs. However, during the national bank note issuing period, most of the county was composed of small farming communities and vacation spots, so, accordingly, the banks also tended to be small and were designed to serve just the needs of the immediate local community. Most of these national banks tended to have a rather small amount of national bank note circulation. A large city, such as Yonkers, which is just over the New York City line, had national banks with larger amounts of circulating currency, but this was the exception rather than the rule. Over the note issuing period of 1863 to 1935, a total of 36 different banks in 26 towns and cities in this county issued national bank notes. Several of these had circulation in amounts slightly above pocket change.

After World War II, the mass exodus to the suburbs caused Westchester County's population to expand greatly. The county's local banks fell by the wayside and were replaced by branches of the many large banks from New York City.

As mentioned before, many of these suburbs contain quite a few professional people and businessmen who commute to well-established jobs in New York City. Over the years, several of these people have decided to commit some of their resources to the acquisition of national bank notes from their home county. Thus, you have a situation where quite a few dollars are chasing a small amount of material and the old law of supply and demand takes over.

One of the folks who has been chasing Westchester County national currency over the years is Frank Levitan of Larchmont, New York. In fact, you could probably say that Frank was the first collector to dedicate himself to tracking down a note of every chartered bank in the county. Frank, who recently retired from his business as a distributor of Goodyear tires in the New York area, started, like many of us, as a coin collector when a child. However, the pressures of school, family and business caused his hobby to remain dormant until the early 1960s when he started attending meetings of the Westchester County Coin Club. While at these meetings, he had his first exposure to paper money.

Like many of us, Frank was attracted to the artistic beauty of the old large-size notes and thought it would be a much more enriching and challenging collecting area. Shortly after joining the club, he was given the opportunity of purchasing a group of a dozen Westchester County national bank notes—he was on his way.

Frank's next purchase involved luck and persistence—two qualities that are necessary to succeed in this game. Wandering into a pawn shop near his place of business, he spotted a large-size \$5 note from the First National Bank of Mamaroneck taped to the shop owner's safe. Frank attempted to purchase the note and the owner said he would think about it. Over the next several months, Frank made



Frank Levitan at home with part of his Westchester County National Bank Note collection.



Original Series "Lazy Deuce" on the East Chester National Bank of Mount Vernon. This bank had the unusual distinction of moving to Evansville, Indiana in 1873.



Series of 1875 \$5 note on the First National Bank of Sing Sing.



Series of 1902 Plain Back Blue Seal \$5 note on the First National Bank of Elmsford. This bank had only \$50 in large-size notes outstanding in 1935 and this note is an AU specimen.



Well worn but rare. When the Pelham National Bank closed its doors in 1933, it had only \$395 outstanding. This Series of 1902 Plain Back Blue Seal \$5 note is only one to be reported.



over a dozen trips back to the shop. In an act of desperation to get rid of him, the owner sold it to Frank for \$10. He took it home and, in order to remove the tape from the note, proceeded to place it in the sink and learned his first lesson about paper money collecting—don't wash notes!

His second lesson—don't pass up opportunities—occurred in 1969. Dealer Tom Settle offered him four uncirculated Third Charter \$10 plain backs from the Larchmont National Bank at the price of \$35 for one or all four for \$25 each. Frank decided to buy only one—he wondered what he would do with all four!

Over the years Frank's Westchester County collection has expanded considerably, not merely by sitting back and waiting for price lists and catalogs to come to him, but by going out and aggressively tracking down notes in the local communities. After determining the names of the officers of a particular bank during the note-issuing era, he would attempt to locate descendants of these officers and ask if any notes were still in the possession of the family. With his earnest and sincere manner, Frank was able to persuade many a child or grandchild of a bank president or cashier to part with a note because they knew that the note was going into hands that would cherish and appreciate it for years to come. Of course, if a good note turned up at auction, Frank would chase it as well as anyone, and most of the major dealers around the country



The first note issued by the Rye National Bank. A Series of 1882 Brown Back \$10 with Serial "1" and plate position "A."

learned that Frank Levitan's collection was a good home for better Westchester County material.

At this point, Frank's collection includes notes from all 26 Westchester towns and 34 of the 36 chartered banks that issued notes. The two banks that he is missing—the First National Bank

Series of 1902 Red Seal \$10 note on the First National Bank of White Plains.



### Acknowledgments

A great deal of thanks to Frank Levitan for agreeing to be interviewed for this article and for allowing me to photograph notes from his collection of Westchester County nationals. Also, thanks to John Hickman for relating to me some of the data in his files on Westchester County national banks.

### Sources

Hickman, J. & D. Oakes (1990). *Standard Catalog of National Bank Notes*, second edition, Iola, WI, Krause Publications.

of Tarrytown (Ch. 364) and the Mount Vernon National Bank (Ch. 8516)—are both known. A note on the Tarrytown bank was handled by John Hickman over 20 years ago but its present whereabouts are unknown, and a note from the Mount Vernon bank is currently held by another longtime New York collector. So, to quote Frank's article "Not For Sale" in *PAPER MONEY* No. 116, he is hoping that lightning will strike once again and enable him to complete his Westchester collection.

Rather than content himself with a single note per bank, Frank also collects by type and denomination. Obviously, this



While chartered in 1926, the First National Bank of Ardsley issued only Series of 1929 Type II \$5s, \$10s and \$20s making this note the first \$5 issued by the bank.

can frustrate the competition out there, as Frank may be sitting on three First Charter notes from a particular bank while not even a Third Charter blue seal note has turned up in years. But that's just part of this fascinating game.

Frank's national bank notes comprise only a very small part of his paper money collection; he has also managed to put together a very extensive collection of large-size type notes. A long-time member of the SPMC (No. 2800), Frank has always been willing to share his knowledge with other collectors and show them his notes. However, he has a strong grip on them,

and is still out there chasing down the rarities he needs. Needless to say, if you can help him to obtain the last two needed notes, he would love to hear from you. You can drop a line to: Frank Levitan, 4 Crest Avenue, Larchmont, New York 10538.

# 195 Years of Banking in Gloucester, Massachusetts

By HENRY N. McCARL, PhD

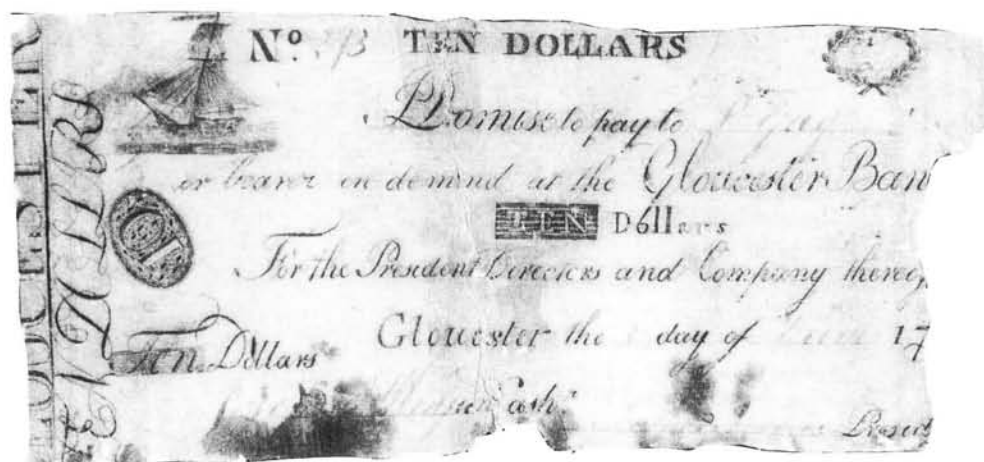
**A**LTHOUGH widely known for its fishing industry, sailing ships, art colonies, scenic coastline and sandy beaches, Gloucester is also the home of the oldest bank in Massachusetts, and the fifth oldest in the United States. The Gloucester Bank was founded on April 22, 1796, by a group of leading Cape Ann citizens, mostly shipowners and shipmasters. Initial capital of the new bank was \$40,000, mostly in the form of Spanish gold doubloons and silver pieces of eight. Captain John Somes was elected its first president, a position he held for 20 years. The venture was so successful that by 1799 the shareholders applied to the state legislature for a charter, thus authorizing the organization to engage in general banking business with an interest limit of 6 percent. This limit was continued for the next 62 years until the American Civil War. The earliest bank notes for the Gloucester Bank bear the imprint 17\_\_\_\_, and were signed by Joseph Allen, Jr., Cashier, and John Somes, President.

Security was a principal concern of this early banking institution, and a floor vault was cut into the granite rock beneath the President's desk with a steel trap door and special padlock. Prior to the opening of business each day, the town constable would go to the home of Captain Somes and accompany him to the bank with the key for the padlock, carried in a special wooden box that was hidden each night in a secret hiding place in the Somes family home. The constable and bank president would then walk to the bank and open the vault lock promptly at 9:00 a.m. This same procedure was repeated in reverse at the close of each business day.

Descendants of Captain Somes are very fond of telling the story of the first attempted bank robbery, described by Alfred Mansfield Brooks in his book: *Gloucester Recollected: A Familiar History*.

Cousin John was alone at the moment. He was signing notes, what we call bills, the paper money in the days when banks were personal business and the Federal government had not yet taken them in hand. A shadow crossed the table at which Cousin John was sitting. He turned and saw close behind him a man with a (flintlock) pistol. "This is the end of your usury, old Shylock," the man growled. As Cousin John struck him, and the pistol flew across the room, he shouted back, "Not by a damn sight!" When the treasurer, who had left the room for a moment, came back, Cousin John was still signing notes. Without so much as looking up he said, "Call the constable and have the damned corpse taken away. The directors will be here in a few minutes." The would-be murderer was not dead, only unconscious and very bloody. John Somes had not commanded an Indiaman (sailing ship) at twenty-one and been privateering before that for nothing. He fitted his reputation—a quick-tempered, hard-fisted, through-and-through gentleman.

The early years of the Gloucester Bank were prosperous years for Gloucester due to the increased demand for dried and salted fish during the Napoleonic Wars (1796–1815). Yet the Embargo Act passed just prior to the War of 1812–1815 and the duration of this (regionally unpopular) war caused economic hardships to the seafaring interests of New England. Fortunately, with major military involvement on the European continent, the British could not turn their full attention to sinking American merchant vessels and fishing schooners, or these years might have been truly devastating to the Gloucester and regional economies. As it was, the end of the Napoleonic Wars and the cessation of military activities in North America brought a substantial decline in the demand for dried fish and ships stores. This worked financial hardships on many Gloucester merchants and customers of the Gloucester Bank.



\$10 Gloucester Bank note dated 179\_\_\_\_. (Courtesy of Tom Denly)





53 Gloucester Bank note dated April 25, 1815, signed by John Somes as President, J. Allen, Jr. as Cashier. Serial No. 631.

Gloucestermen had also opened trade with Dutch Guiana by the end of the 18th century, and the trade between the Surinam River and Gloucester Harbor brought new economic life to the Cape Ann economy. Trade in dried salt fish to the Guianas and barrels of molasses to Gloucester for conversion into New England rum at the Central Wharf Distillery on Porter Street supported a significant portion of Gloucester Bank business until 1855. The owner of the rum distillery, William Pearce, had been one of the founders of the Gloucester Bank, and he and his family were represented on the Board of Directors for most of the 19th century. One does not have to guess where the sympathies of the Gloucester Bank were placed during the many temperance campaigns and wet and dry elections in Gloucester in the 1800s.



(courtesy of the Cape Ann Historical Association, Gloucester, MA)

Bank notes issued in the period 1812–1815 continued to be signed by Joseph Allen, Jr., Cashier, and John Somes, President. These were issued in denominations of \$1, \$2, \$3, \$5, \$10, \$20, \$50, and \$100, printed in black ink on thin vellum paper. Some, but not all, of these notes had elaborate check plate back designs in black ink.

Boston banks and banks in other financial centers around the U.S. often declined to accept the bills or notes of country banks such as the Gloucester Bank except at substantial discounts. This was based on the uncertainty of the financial soundness of the issuing institution and the difficulty of funds transfers between banks that were not part of a national banking system. Each bank issued its own currency, and anyone accepting that currency had to depend on the good faith and reputation of the issuing bank to make good on its obligations. This led to the establishment by banks of a bank of redemption in Boston that would honor their bills and notes at full value and redeem currency or coinage of any nationality.

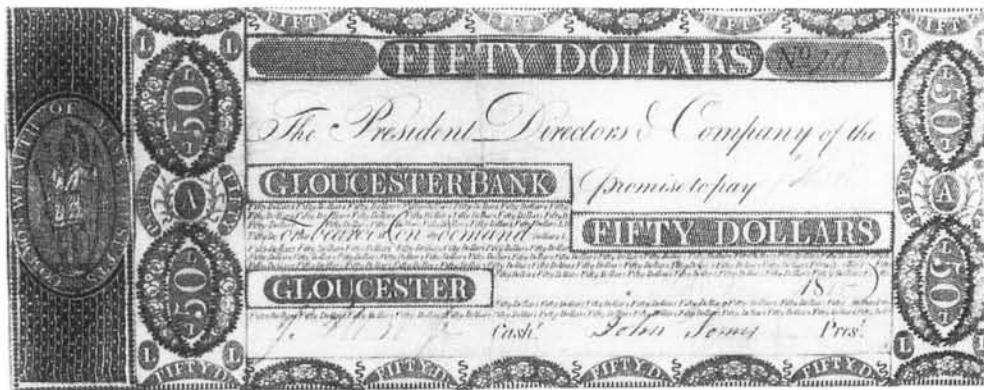
The India Company was formed in Gloucester about 1830, for the purpose of carrying on trade with Calcutta and the Far East. The period 1830–1850 was a time of great economic prosperity based on trade with the Far East, and personal wealth was accumulated in seafaring towns like Salem, Portsmouth, Newburyport, and Gloucester. The directors of The India Company formed a virtually interlocking directorate with the Gloucester Bank, and without controls on insider loans, the business investments of the Gloucester Bank were closely tied to the financial activities of its own directors. By 1850, the Far East foreign commerce of New England was largely centered in Boston, with declining activity at other regional ports. Boston banks continued to grow while others in coastal New England, such as the one in Gloucester, declined in importance.

By the 1850s, The Gloucester Bank had issued a new series of bank notes with vignettes of sailing ships and harbor scenes, signed by John J. Babson, Cashier, and Isaac Somes, President.

The fortunes of the Gloucester Bank followed the local economy into a period of depression in the late 1850s, but the advent of the American Civil War (1861–1865) brought an increase in the demand for preserved commercial foodstuffs, an excellent market for dried salt fish. The deteriorating wharves of the magnates of foreign trade were converted to fish piers where Gloucester fishing schooners unloaded their harvest from the North Atlantic waters. The post-Civil War period saw an increased number of immigrants to the United States from predominantly Catholic countries (such as Ireland and Italy)



\$5 Gloucester Bank note dated July 1, 1814, signed by John Somes as President, J. Allen, Jr. as cashier. Serial No. 112.



\$50 Gloucester Bank note dated May 1, 1815, signed by John Somes as President, J. Allen, Jr. as Cashier. Serial No. 20.

that traditionally ate fish on "meatless" Fridays. This sustained the demand for dried salt fish after 1865. The fishing banks off the New England coast filled the holds of the Gloucester ships which then filled the vaults of the commercial banks of Gloucester. Within the next 15 years, by 1875, Gloucester was the home of the largest fishing fleet in the world.

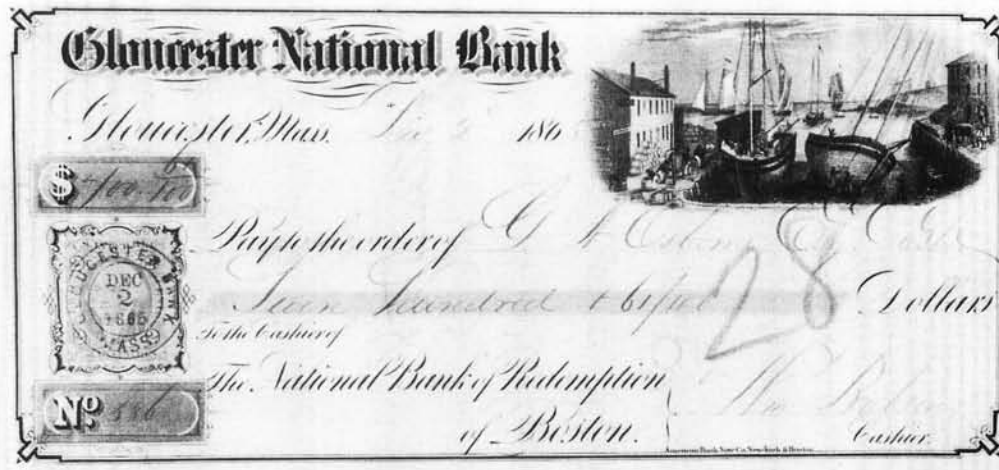
During the Civil War, major changes occurred in banking in Gloucester as well as in the rest of the U.S. Abraham Lincoln signed the National Currency Act on February 25, 1863. This legislation provided for the issuance of "national bank notes" by federally chartered "National" banks. It underwrote the value of paper currency that was now backed by the U.S. Government rather than each individual bank. The reserve re-

quirements of the resulting system of national banks helped to finance the war effort without big increases in federal taxes. Chartered national banks were required to hold a portion of their reserves in U.S. government bonds, and the sale of these bonds financed military purchases for the Union army. The resulting national currency would be accepted by all banks at face value and this would diminish and eventually eliminate the need for banks of redemption such as the one in Boston.

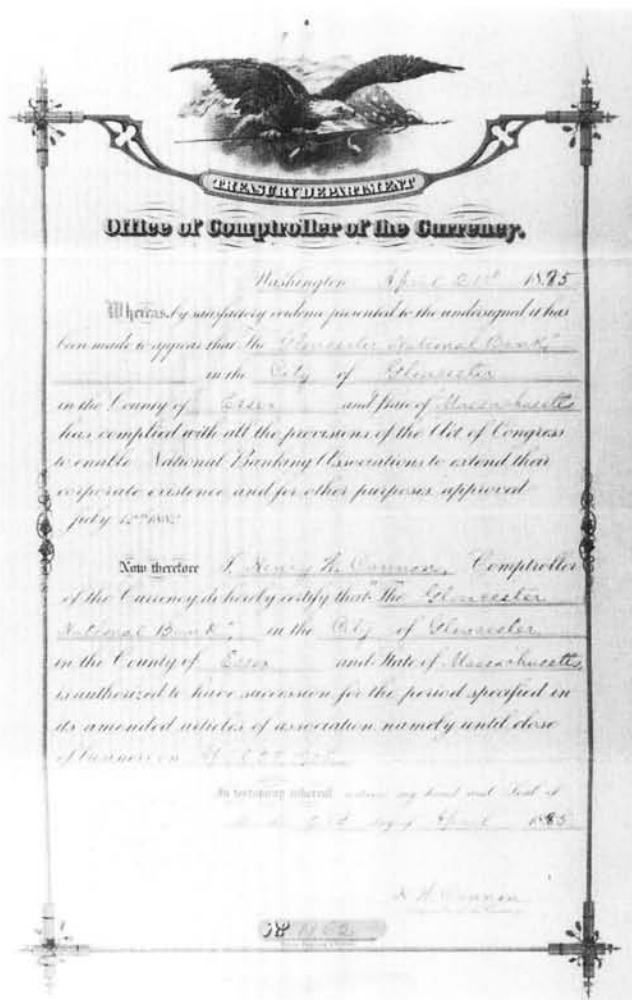
The Gloucester Bank qualified for national bank status in 1865 and was granted national bank charter number 1162 as the Gloucester National Bank. Official copies of the first charter (May 18, 1865) and second charter (April 21, 1885) with certificates of authenticity signed by Charles G. Dawes, U.S. Comp-



\$10 bank note of The Gloucester Bank, dated April 1st, 1857, signed by Isaac Somes as President, John J. Babson as Cashier. Serial No. 2732.

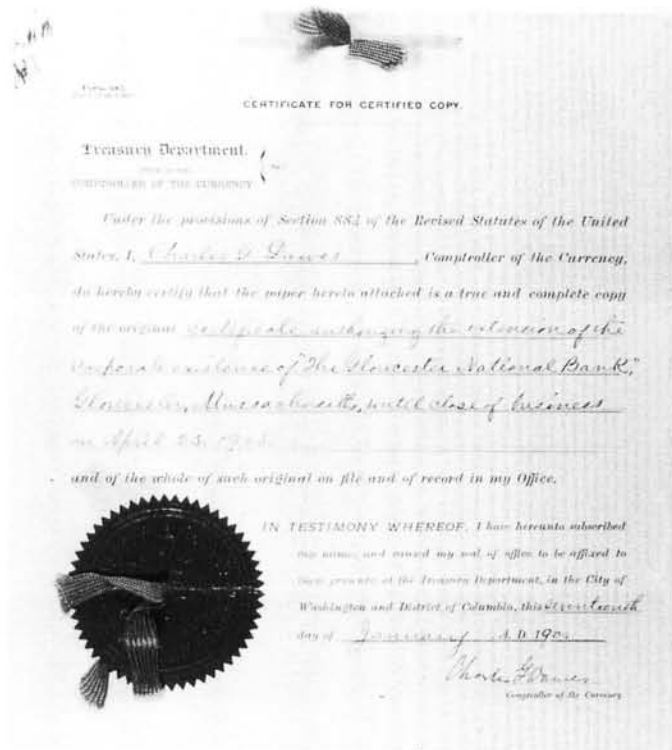


Gloucester National Bank cashier's check dated December 2, 1865, for Seven Hundred and 61/100 dollars made out to G.A. Osborne, Esq., Cashier of the National Bank of Redemption of Boston, signed by Wm. Babson, Cashier.



Official copy of 1885 (2nd) charter for Gloucester National Bank, Charter No. 1162, dated 21st April, 1885, signed by H.W. Cannon, Comptroller of the Currency.

troller of the Currency, dated January 17, 1900, were obtained by this author in 1989. The second charter grants permission to continue business as Gloucester National Bank until April 25, 1905, at which time a third charter was undoubtedly issued.



Certificate for Certified Copy of 1885 renewal of charter for Gloucester National Bank, Gloucester, Massachusetts, dated 17th January, 1900, and signed by Charles G. Dawes, Comptroller of the Currency.

Gloucester National Bank was still utilizing the National Bank of Redemption of Boston in 1865, as attested to by a cashier's check signed by William Babson, Cashier, and dated Dec. 2, 1865 (also part of the author's collection).

Gloucester National Bank issued thousands of national bank notes from 1865 to 1929 under charter number 1162, in denominations of \$5, \$10, \$20, \$50 and \$100. Of a total issue of \$4,225,090 issued during this period, only \$58,580 was still outstanding when the bank was liquidated on May 17, 1932. The \$5 first charter (1162) note of the Series 1875, shown in the accompanying photograph is only one of four notes known to

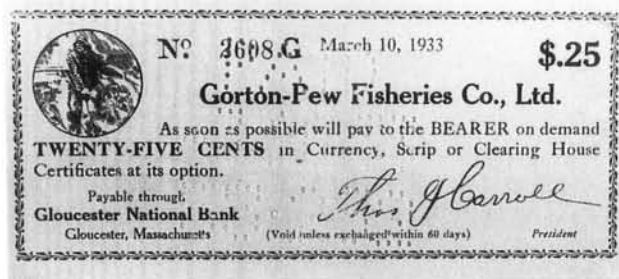




\$5 national currency (Series 1875) note dated July 1, 1865, for Gloucester National Bank, Charter Number 1162, signed by Wm. Babson, Cashier. Serial No. U365122} upper right, 7282 lower left.



(courtesy of the Cape Ann Historical Association, Gloucester, MA)



25¢ depression scrip for Gorton-Pew Fisheries Co., Ltd. payable through Gloucester National Bank, Gloucester, Massachusetts, dated March 10, 1933. Serial No. 2608G.

still exist from the period 1865–1932. These national bank notes continued to circulate as legal tender even after the liquidation of the bank that issued them due to their backing by the federal government. Gloucester National Bank was reorganized and rechartered as Gloucester National Bank of Gloucester in March of 1932 with national bank charter number 13,604.

The bank "holiday" in 1932 and the consequent disruption of the checking and currency systems during the depths of the great depression led to the issuance of scrip currency by many employers. Gloucester's own Gorton-Pew Fisheries Company, Limited, issued "depression scrip" payable "as soon as possible . . ." through the Gloucester National Bank.

From the period of the Great Depression in the 1930s through World War II, post-war recession, and economic cycles through the 1950s, 1960s and 1970s, the fortunes of the Gloucester National Bank generally followed the ups and downs of the Cape Ann economy. Deregulation of the banking industry nationwide and the national and regional prosperity of the 1980s eventually led to the merger of the Gloucester National Bank into the larger U.S. Trust Company in 1985. Despite some name changes and formal reorganization, Gloucester and Cape Ann are still served by a bank that can trace its basic identity for 195 years.

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### Acknowledgment:

The author wishes to thank the personnel of the Cape Ann Historical Association for their cooperation and kind assistance with this article. The author's collection of bank notes, historical papers, and other memorabilia associated with the Gloucester National Bank and its predecessors are now part of the Cape Ann Historical Association collection.

# United States

## Territorial National Bank Notes:

### *What are they?*

Within the numismatic specialty of national bank notes, notes issued by territorial and possession banks occupy an exalted position in desirability and rarity. The special allure of territorials is tribute to the lore and romance of the western frontiers. They conjure up memories of a nation that was young and expanding. The west beckoned the restless to discovery and opportunity.

As I look from my house across the tens of miles of unobstructed vistas which comprise the Laramie Basin of Wyoming, I can imagine the hopes of the pioneers who crossed here on the Overland Trail in the 1860s. Transportation was arduous, Indians a threat, and the unknown over the next hill a constant anxiety. Yet the adventurous pressed on. They wanted opportunity and elbow room. They found both, and they also discovered a security that only successfully living on the edge can provide. The territorial nationals created by their dreams and labors are a small but very significant monument to their passing.



## THE PAPER COLUMN

by Peter Huntoon

### What is a Territorial?

A territorial national bank note is obviously any note carrying the designation Territory, Terr., Ter. or T. as its location. As will become clear, this is a rather artificial distinction based on known facts.

For example, we have documented three cases on large-size notes where the territorial plates did not carry the territorial label, specifically the 10-10-10-20 Original Series plate for Nebraska City, Nebraska (1417), the 10-10-10-20 Series of 1882 Brown Back plate for Oklahoma City, Oklahoma (5920), and the 10-10-10-20 Series of 1902 plate for Juneau, Alaska (5117). Don't look for the word territory on the Series of 1929 issues of Alaska or Hawaii either. These technical exceptions have to be counted as territorial issues because the notes were printed and issued during the territorial period, and the dates on the notes are territorial dates.

Notes continued to be printed from old territorial plates years after statehood for the territorial banks in Nebraska and Colorado. For example, Nebraska territorials were being printed as late as 1885, 18 years after statehood. There are six notes known from Nebraska Territory of which only three were printed during the territorial period.

Another quirk associated with territorials is that of late issues. It was the policy of the Comptroller of the Currency to issue existing stocks of notes within a given series until they were depleted. In the case of Arizona, which won statehood on February 14, 1912, 12 percent of the 365,494 territorial notes issued were delivered to the banks after statehood! The last Arizona territorial notes were shipped to Arizona in 1917. In all cases the late issue Arizona territorials had been printed before statehood; they were just issued later.

Last, but not least, how should we classify the District of Alaska and Island of Porto Rico issues which are not territorials at all? Because these areas fall in the class of remote lands without statehood status, I believe they properly belong in the same group as their territorial cousins.

### Nebraska

The earliest note-issuing territory to convert into a state was Nebraska on March 1, 1867. Territorial plates already engraved for The First National Bank of Omaha (209), the Otoe County National Bank of Nebraska City (1417) and The Omaha National Bank (1633) continued to be used through the Original and 1875 series until the banks were extended and Series of 1882 state plates replaced them. The last of these territorial issues was from Omaha (1633) in 1886.

The Nebraska situation was complicated by the fact that the word territory was used haphazardly on a few of the territorial plates. The 10-10-10-20 plate for The Otoe County National Bank of Nebraska City (1417) was dated September 1, 1865, yet reads Nebraska in both the title and script locations. The 10-10-10-10 and 20-20-20-50 plates dated February 20, 1864, for the First National Bank of Omaha (209) are hybrids on which the location in the title reads Nebraska but the script version on the same plates is Neb. Ter. The 1-1-1-2 and 5-5-5-5 plates for the three Nebraska territorial banks were standard territorial plates.

### Policy

Attention finally was focused on a policy for converting territorial plates in 1889 when North and South Dakota were admitted on November 2. Beginning then, the comptroller ordered the Bureau of Engraving and Printing to convert territorial plates to state plates bearing the dates of statehood shortly after new states were admitted. Admission of North and South Dakota, Montana, Washington, Idaho and Wyoming produced a flood of conversions in 1889 and 1890. The conversions were accomplished by altering the old territorial plates, not by making new plates.







The only known note from the Territory of Alaska.



A very rare Territory of Arizona note from the last mainland territory.

### Colorado

Despite the existence of a policy for converting territorial plates to state plates after admission, several Series of 1875 Colorado territorial plates were still in use in the early 1890s. The comptroller discovered this and during the early 1890s ordered their conversion. Ironically, he chose the arbitrary date of February 1, 1890 as the plate date for these plates rather than reaching back for the August 1, 1876 statehood date. Affected banks included: Pueblo (1833), Central City (2129), Colorado Springs (2179), Trinidad (2300) and Pueblo (2310). For example, the 5-5-5-5 Series of 1875 plate for The First National Bank of Central City (2129), which was a black charter plate, was converted in January 1893.

### Alaska

Alaska remains the special territory. To fully appreciate the one known note from the Territory of Alaska, you must realize that Alaska had two organic acts. The first, on May 17, 1884, created the District of Alaska, and the second, on August 24, 1912, established the Territory of Alaska. A mere 6,792 Alaska territorials were issued, representing 0.12 percent of the 5,875,338 large-size territorial notes issued. They all came from The First National Bank of Juneau in the form of Series of 1882 Brown Backs and Date Backs.

Later Series of 1902 Plain Back Blue Seals issued by Juneau are territorials but the plate simply reads Alaska. There are seven notes documented from this odd plate.

No territorials were printed for The First National Bank of Fairbanks because in 1912, when Alaska converted from a district to territory, the Fairbanks Series of 1902 plates were never altered to reflect the new territorial status. Consequently, Fairbanks Series of 1902 Date Back and Plain Back notes continued to be printed and issued from old district plates until 1929!

### Issuances

A total of 606 different banks issued 5,875,338 large-size and 898,890 small-size territorial notes. The face value of the large-size notes was \$55,341,150 and that of the small-size notes was \$9,315,430.

Such numbers seem impressive, but sink into insignificance when placed into perspective with the non-territorials, or even state notes from the same locations. For example, The Bank of America in San Francisco, the largest note-issuing bank in the country, distributed over \$107,000,000 in small-size notes in the short period of 1929 to 1935. This amount is just about double the entire territorial output between 1864 and 1935! Between 1929 and 1935, The Bank of America singlehandedly distributed 5,768,082 \$5 notes, which is almost equal to the entire output of large-size territorial notes between 1864 and 1929.



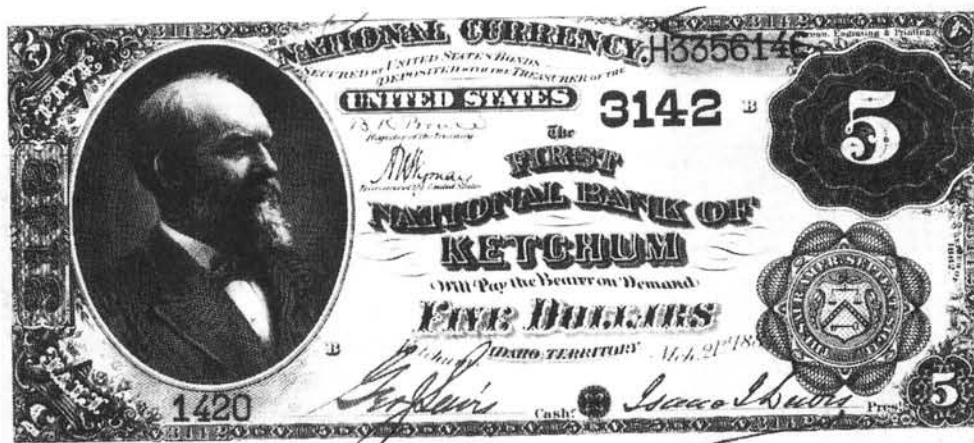
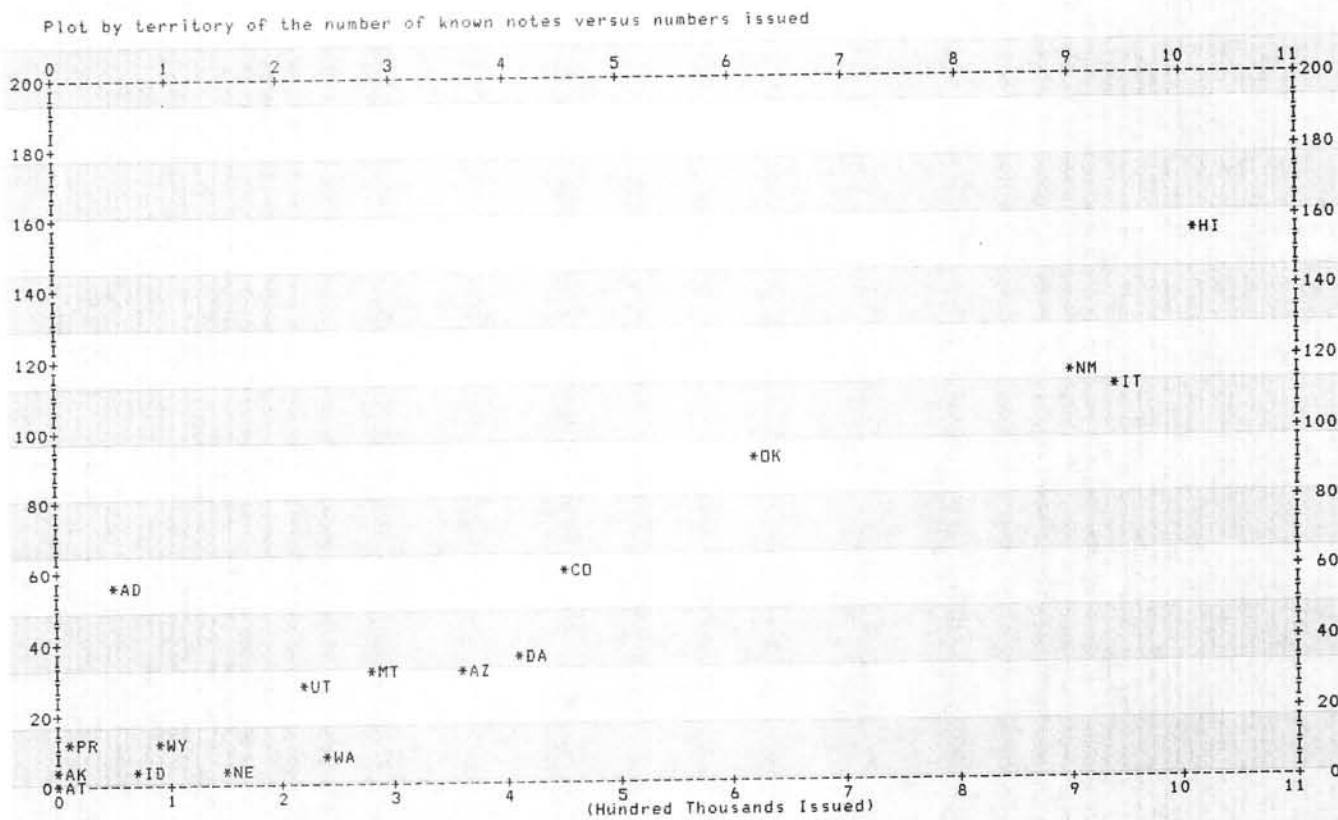
*Am. Exp. 1, 1904*

**T**

*W. W. Hinkley*

*J. H. Roberts*

Huntoon patiently waits for his red seal sheet to turn up on this Arizona Territorial bank, but he would accept a single note too. (Smithsonian Institution photo)



Spectacular Idaho Territory find by David Koble (Mid America Currency). Inscription on the back reads: "I bequeath this bill to my son Clancy M. Lewis, Feby. 7th, 1893. Isaac I. Lewis. Clancy M. Lewis." The note grades AU.





Although the total numbers of issued territorial notes sounds large, you must realize that most of these notes were put into circulation to replace other territorials that had worn out. Territorials remain one of the rarest pursuits in numismatics. They represent a drop in the bucket, and most circulated to oblivion in the remote corners of our country.

In terms of total territorial notes issued, The First National Bank of Honolulu, Hawaii alone accounts for over 17 percent of the total large-size issues, and over 94 percent of the small-size total. The remaining notes were spread thinly over the remaining 605 banks from virtually unheard of places such as Bisbee, Arizona Territory; Pembina, Dakota Territory; Ravia, Indiana Territory; Tucumcari, New Mexico Territory; or Sundance, Wyoming Territory.



*J.L. Irish held the distinction of having assembled the only complete territorial collection.*

### The J.L. Irish Achievement

Only one complete territorial collection is presently possible because the Territory of Alaska is represented by a single note. The probability of forming such a set is virtually insurmountable because all the key notes are scattered far and wide, and are very tightly held. As improbable as it may seem, one collector with foresight and terrific determination attempted this set—astonishingly he succeeded! The late J.L. Irish was that person. He began his collection as a relative latecomer to the hobby in 1968. Many territorial collections were in advanced stages when he arrived on the scene. Battling tremendous odds and extremely stiff competition, he completed his territorial collection in 1981. His last requirement was an Idaho ter-

ritorial. When he began his quest none were known. Six specimens have come to light now. The one that he got is an extra fine \$10 Series of 1882 Brown Back on The First National Bank of Lewiston, charter 2972. Appropriately, the note bears serial number 1. Irish's feat will forever commemorate him as an extraordinary numismatist who did not understand the word impossible.

### Discovery

Territorial notes are still being discovered. Probably the greatest recent find is an AU \$5 Series of 1882 Brown Back from The First National Bank of Ketchum, Idaho Territory. This was brought onto the numismatic market by David Koble of Mid America Currency in 1991. Miracles still happen!

Another great recent find was the \$5 Series of 1882 Brown Back from The First National Bank of Wailuku, Territory of Hawaii, which turned up in 1983. This rarity grades very fine and carries serial number 4. It brought the number of known Hawaii banks to four leaving only The First National Bank of Paia in the undiscovered class.

For condition and romance, you can't beat two about uncirculated First Charter Original Series notes from The First National Bank of Santa Fe, Territory of New Mexico, also discovered in 1983. These were found in Montreal, Canada. The story goes that these two notes, from the 239th 1-1-1-2 sheet made for the bank, were carried back to Canada by an adventurous Canadian traveler who visited Santa Fe when the notes were issued in 1871 or 1872. When you contemplate the logistics of that trip—a significant part of it was by stage coach—you have to appreciate these handsome notes even more. I marvel that they survived, notwithstanding having survived in virtually uncirculated condition.

### Unreported Varieties

There are but a few great territorial types left to be discovered. Tops among these are a Series of 1882 Brown Back from Juneau, Territory of Alaska, and a Series of 1902 Red Seal from Hawaii. Only 3,080 Brown Backs were issued in Juneau. The Hawaii Red Seal total amounts to 4,356 notes sparsely distributed between Lahaina and Kahului.

Miracles do happen. A few years ago we had no idea that there was such a thing as a Territory of Alaska note until a Series of 1882 Date Back from Juneau turned up in St. Louis in 1977. At that time a Series of 1902 Date Back from Porto Rico was also high on the unknown list. One of those—a \$10 note—sub-



*Series of 1902 Red Seal from the Territory of New Mexico. This note is from the first 10-10-10-20 sheet sent to the bank.*

**Table 1.** Census of known large size territorial notes.

Territory	Number of Notes Reported	Number of Notes Issued	Survival (1 per # Issued)	Number of Banks	Reported Banks	Percent Reported Banks	Graph Symbol
Territory of Alaska	1	6,792	6,792	1	1	100	AT
Territory of Nebraska	6	152,276	25,379	3	2	66	NE
Territory of Idaho	6	76,524	12,754	8	4	50	ID
Alaska—undesignated	7	6,224	889	1	1	100	AK
Territory of Washington	8	244,654	30,581	40	7	17	WA
Island of Porto Rico	12	15,414	1,284	1	1	100	PR
Territory of Wyoming	13	97,848	7,526	11	4	36	WY
Territory of Utah	29	221,208	7,627	17	5	29	UT
Territory of Montana	33	280,764	8,508	25	10	40	MT
Territory of Arizona	34	365,494	10,749	18	13	72	AZ
Territory of Dakota	36	412,118	11,447	74	15	20	DA
District of Alaska	58	57,424	990	1	1	100	AD
Territory of Colorado	60	450,806	7,513	13	9	69	CO
Territory of Oklahoma	92	629,752	6,845	158	56	35	OK
Indian Territory	112	942,276	8,413	175	65	37	IT
Territory of New Mexico	117	902,352	7,712	55	28	50	NM
Territory of Hawaii	159	1,013,412	6,373	5	4	80	HI
Summary	783	5,875,338	7,503	605	225	37	

**Notice:** There were 606 territorial banks; however, Ketchikan, Alaska, issued only small size notes. Alaska—undesignated refers to the Juneau 1902 notes which do not carry the territorial label.

**Table 2.** Dates of organization and dates of statehood for territories containing banks which issued National Bank Notes.

Territory	Date of Organic Act or Date of Organization <sup>a</sup>	Date of Change in Status	New Status
Alaska, Dist	May 17, 1884	Aug. 24, 1912	territory
Alaska	Aug. 24, 1912	Jan. 3, 1959	49th state
Arizona	Feb. 24, 1863	Feb. 14, 1912	48th state
Colorado	Feb. 28, 1861	Aug. 1, 1876	38th state
Dakota	Mar. 2, 1861	Nov. 2, 1889	39th & 40th states
Hawaii	Apr. 30, 1900	Aug. 21, 1959	50th state
Idaho	Mar. 3, 1863	July 3, 1890	43rd state
Indian	1834	Nov. 16, 1907	part of 46th state
Montana	May 26, 1864	Nov. 8, 1889	41st state
Nebraska	May 30, 1854	Mar. 1, 1867	37th state
New Mexico	Sept. 9, 1850	Jan. 6, 1912	47th state
Oklahoma	May 2, 1890	Nov. 16, 1907	part of 46th state
Porto Rico, Is.	Dec. 10, 1898	July 25, 1952	Commonwealth
Utah	Sept. 9, 1850	Jan. 6, 1896	45th state
Washington	Mar. 2, 1853	Nov. 11, 1889	42nd state
Wyoming	July 25, 1868	July 10, 1890	44th state

<sup>a</sup> Boundaries may have been changed between date of Organic Act and period during which National Bank Notes were issued.

sequently appeared. Both survived from miniscule issuances, thus giving me hope that a Brown Back Alaska and Red Seal Hawaii may eventually reveal themselves.

#### Great Notes That Weren't

National banks could have been established anywhere in the United States or its possessions. Outside of the contiguous 48

states, only Alaska, with three issuing banks, Hawaii, with five, and Porto Rico, with one, took advantage of the National Bank circulation privilege. Some potentially amazing banks began the process of organizing under national charters during the glory days of the American colonial empire in the first decade of the 20th century. Just imagine the thrill of discovering a note from one of the following which never completed the process:

The First National Bank of Valdez, District of Alaska; The First National Bank of Cape Nome, District of Alaska; the Kohala National Bank, Territory of Hawaii; The West Indian National Bank of San Juan, Island of Porto Rico; The United States National Bank of Ponce de Leon, Island of Porto Rico; The First National Bank of Mayaguez, Island of Porto Rico; The First National Bank of Cardenas, Cuba; The United States National Bank of Havana, Cuba; The First National Bank of Santiago, Cuba; The United States National Bank of Manila, Philippine Islands; The Panama Canal National Bank of Panama City, Panama; or The United States National Bank of Colon, Panama.

### Condition Consciousness

"BU" mania has not made as serious inroads in national bank note collecting as it has in other areas of numismatics during the past decade. The reason is simple; scarce nationals in general and territorials in particular were used instead of being saved. They normally don't survive in any but the uncirculated grades. For example, the finest of the six Nebraska Territorial notes grade only fine. The only known Alaska Territorial grades very good. Obviously, this field is no place for fickle condition-conscious collectors! Rather it is hallowed ground reserved for serious numismatists who appreciate unbelievably long odds against the survival of money that was designed to circulate in the worst of environments.

### Territorial Census

Territorial collectors and currency dealers have faithfully provided me with information on their territorial discoveries. It seems appropriate that a summary of the territorial census information be presented herein as Table 1. This is a current status report, and it will be very interesting to see how these totals change in the next 25 years.

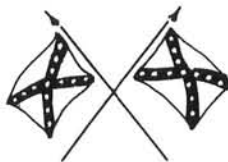
The book: Huntoon, Peter W. (1980). *Territorials, a guide to U.S. Territorial National Bank Notes*: Society of Paper Money Collectors, 169 pp, treats the topic in detail. Every territorial bank is listed along with a complete list of the types, denominations and serial numbers of notes issued by each. The book is profusely illustrated as well.

### Good Hunting

On February 1, 1967, I added my first territorial to my budding collection. The note was a \$20 Red Seal from The Citizens National Bank of Alamogordo, Territory of New Mexico, that grades a full extra fine. Some would call it about uncirculated. I reached for that one, paying some \$175 for it, and it represented the culmination of my fondest numismatic dream. To say the least, I was excited. I sincerely hope that you will experience the thrill of a comparable discovery—in numismatics or elsewhere. Such luck makes life worth living!

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*Tales of the Secret Service*

# FRED BIEBUSCH, Counterfeiters' Money Man

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 by BRENT HUGHES
 

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The years between 1835 and 1865 might be called the high-water mark of America's so-called "golden age of counterfeiting." During those years the menace grew from a nuisance to a level that created havoc with the financial structure of our country.

In back of every gang of counterfeiters was a money man who supplied the capital to keep the industry running. One of the best known was Joshua D. "Jock" Miner of New York City who grew rich selling sand and gravel to the city government in the years when political corruption was rampant. He increased his riches by loaning money to counterfeiters in a huge loan-shark operation. By spreading his wealth around, Miner developed so much political clout that he operated more or less openly with little fear of arrest by local police officers who were getting their share of the graft.

**A**S big as he was, though, Miner was really a small operator compared to the secretive Fred Biebusch of St. Louis, Missouri. Fred was neither an engraver nor a printer, nor was he directly involved in passing counterfeit money into circulation. He was the inside man who made things happen, and he took more than his share of the illegal proceeds. He also had many methods of maintaining control over a lot of people who also wanted more than their share.

John S. Dye wrote a lengthy biography of Biebusch in 1879 in which he said that no immigrant "brought to the land of their adoption more dangerous capacities for multifarious crime."

Biebusch was born in Prussia in 1823 and came to this country in 1844. His whole life was devoted to crime and he explored every facet of it. By 1850 he owned his own saloon named the "War Eagle" on Third Street in St. Louis, catering to river men, ship officers and local professionals. To most customers he was a jolly good fellow, but he had a darker side. Biebusch was a "fence," a receiver of stolen goods. He was also a loan shark who charged exorbitant interest. To make matters worse, he took advantage of the confusion created by the absence of government-issue paper money and the glut of private banknotes of questionable value. Some of his customers found that mixed-in with the notes Biebusch had given them were a goodly number of counterfeits for which he had paid 18¢ on

the dollar. It was no wonder that Fred was quickly becoming a very rich man.

Some sort of problem developed one day that led the police to raid his saloon. When they examined the back room, they discovered that one wall had many hidden compartments loaded with stolen jewelry and silverware. In one such cavity the police found a sack full of gold watches. Biebusch maintained that the items had been pawned and this was his way of keeping the items safe until redeemed. He was arrested but was released for lack of evidence. It was the first of some fifty arrests he would endure in his career; in only two did the police get a conviction.

In a few years Biebusch was running an evil empire which extended for miles out of St. Louis. Dye described his work methods as "like the owl he preferred night to day for his out-of-door movements and transactions and was so shrewd and cautious that he avoided detection year after year while everyone who knew him was certain of his guilt."

Biebusch had contacts with all the major counterfeiters and acted as a wholesale distributor of their products. He seldom handled the goods himself, employing couriers to transport it. He was an expediter, causing goods to flow from seller to buyer like a commodities broker. He earned a healthy commission from every transaction while letting others take the risk of being caught.

Biebusch often acted as agent for the famous Peter McCartney, Ben Boyd and Bill Shelley. He received favorable rates because he always took huge quantities of counterfeit notes and paid instantly in cash. The engravers also liked the quiet way he operated.

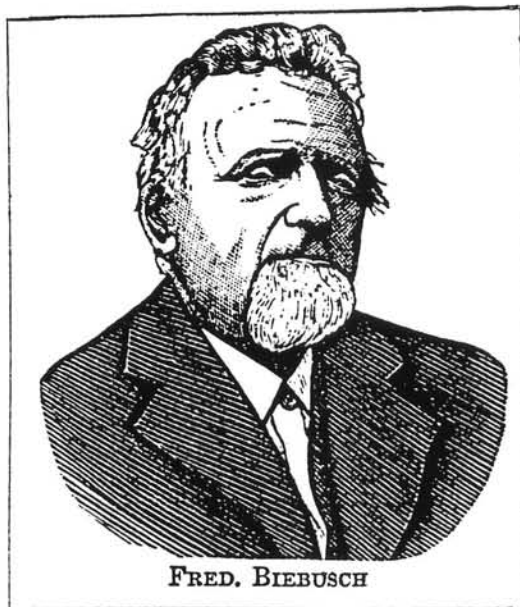
Fred had a peculiar personality quirk in that he was obsessed with staying out of jail. He had his own way of reacting to arrest. He always kept cash to post bail, then immediately bribed a court employee to give him the names of all witnesses who might testify against him. He then contacted each witness and handed him enough money to take a long vacation. Such witnesses quietly left town to enjoy themselves at a resort of their choice.

With the witnesses taken care of, Biebusch would go into court with a defiant demand that the prosecutors either prove their charges or release him. There would be a frantic attempt to locate the missing witnesses, then the case would be thrown out. It was said that no man in the United States ever so thoroughly tested the power of money in overthrowing

criminal cases. The arrests of Biebusch became a joke among policemen—"How much did Fred put up this time to get off?"

This racket went on for years during which Biebusch made it his business to know everybody in office, from the lowest magistrate to Supreme Court justices. U.S. senators and governors often received "loans" which they were never asked to repay. It worked because Biebusch never asked for anything except to be left alone to run his business.

Biebusch was apprehensive when he learned in 1865 that the U.S. Secret Service had been established. He could handle local authorities but this was a mysterious new enemy that he knew nothing about. He soon found that Operative John Eagan of the St. Louis Secret Service office could not be bought. Eagan was looking into the counterfeit business in his district and a lot of criminals were getting nervous. It was not long before Biebusch was arrested on a charge of counterfeiting. Eagan knew how Biebusch had been handling witnesses so he moved for a quick trial, hid his witnesses and got a conviction.



FRED. BIEBUSCH

Fred could hardly believe it when the judge sentenced him to serve ten years in the Illinois State Prison. Such was his wealth, however, that five years later he walked out of prison with a pardon signed by the governor. He resumed his old business and relaxed.

The first Chief of the Secret Service was William P. Wood, a scoundrel who transferred from his job as superintendent of the Old Capitol Prison in Washington, D.C. under the sponsorship of Secretary of War Edwin Stanton. Wood lasted until 1869, when he was forced to resign. Herman C. Whitley took over, fired the corrupt agents that Wood had protected, and brought in new men who could not be bought. Counterfeiters held their breath.

Whitley studied the counterfeiting situation and decided that Biebusch should get priority attention. He sent a new agent named McCabe to St. Louis posing as a buyer of counterfeit currency. McCabe used marked money to buy what he wanted from Fred Biebusch and promptly arrested him. The suspect posted \$20,000 bail, then walked out and bought off

every witness the government had. He could hardly wait for the trial to begin in October 1870 to challenge these new enemies in court.

Whitley found out what was going on and went after a surprise witness, one William Shelley of New York City. Shelley had been caught red-handed engraving a counterfeit plate, but wanted no part of going to prison. He told Whitley that the man who had ordered the plate was Fred Biebusch of St. Louis. If the government would go easy on him, he told Whitley, he would go to St. Louis and testify. Whitley agreed and kept his witness under cover until the trial.

All of St. Louis watched attentively when the trial began. Biebusch entered the courtroom smiling and defiant as ever, but was struck dumb when the government called its first witness, William Shelley. Biebusch was so startled that he bolted from the courtroom and escaped. When he could not be found, Whitley put Mrs. Biebusch under surveillance, believing that she would lead his men to her husband sooner or later.

The plan worked when agents followed Mrs. Biebusch to a small island in the Mississippi River where Fred was holed up in a shack hidden in a corn field. Agents and local police officers surrounded the shack and ordered Biebusch to surrender. When he refused they fired some shots into the roof of the hut. The suspect fired back and indicated that he would not be taken alive. The officers then set fire to the shack, forcing Biebusch out. He tried to climb a fence but was dragged down and captured.

On December 13, 1870, he was sentenced to serve fifteen years in prison. Shelley had testified and the government had won convictions on five counts. Incredibly, five years later he walked out a free man by virtue of a pardon from the Governor of Missouri. Obviously money still talked.

In a short time Fred was back in business and added a line of superb burglar tools to his inventory. Agent John Eagan had retired but the Secret Service transferred Pat Tyrrell to St. Louis to take his place. Tyrrell, the agent responsible for the arrest of engraver Ben Boyd, began building a new case against Biebusch. He gave meticulous attention to every detail of his charges and got a warrant for Fred's arrest.

Tyrrell, with help from the St. Louis police, found his man at Seven-Mile House, an inn near St. Louis, on October 22, 1879. It was a good haul because they also arrested some of Biebusch's associates—Andrew Jackson Thomas (alias "The Preacher"), his wife Annie, Jack Sullivan, Reinhard Bosse, William Whalen and Harry Wood.

John S. Dye wrote his account in 1879 before this latest matter was resolved. Dye indicated that since Biebusch still had plenty of money and powerful friends he might get off or, at the most, receive a light sentence. This would not have been much comfort for a man as smart as Biebusch who knew that Tyrrell would be waiting for him. He was now fifty-six years old and nearing the end of his working career. The United States government had put most of the counterfeiters in prison and showed no signs of turning down the heat. Whether Biebusch knew it or not, the game was over.

#### Source

Dye, John S. (1880). *The Government Blue Book, A Complete History of the Lives of all the Great Counterfeiters, Criminal Engravers and Plate Printers*. Philadelphia.

# CERES

## An Engraving by G.F.C. Smillie

by GENE HESSLER

A few months ago Walter Allan wrote an article about a particular engraving by Charles Schlecht (1843–1932) for *The Canadian Paper Money Journal*. I said that I, too, was investigating the same engraving. Walter identified a Jules-Joseph Lefebvre (1836–1912) painting as *Antique Poesy* (Antique Poetry). The Lefebvre painting, engraved by Charles Schlecht for American Bank Note Co. appears on at least two bank notes: Canada \$5 (PS1443) and Brazil 500 milreis (P87). Both are illustrated in Allan (117); only the latter is seen here.

In the records of the Bureau of Engraving and Printing (BEP), which confirms Lefebvre as the original artist, I found that G.F.C. Smillie (1854–1924) also engraved this subject in 1917 and it was titled *Ceres*. This, of course, refers to the Roman goddess of agriculture who was the daughter of Saturn, sister of Jupiter and mother of Proserpine. The new title of the engraving



*Ceres*, engraved by G.F.C. Smillie.



*Antique Poesy*, engraved by Charles Schlecht.



*Ceres*, reversed and lithographed.



is derived from the substitution of wheat for the laurel leaves as seen in the original Lefebvre painting. In addition, there are changes in the garment worn by *Ceres*. And barely visible, at the base of the engraved proof is "Smillie 1917." In fact *Ceres* was completed on 31 January 1917. This engraving appears on the following U.S. Federal Farm Loan bonds: \$100, \$1,000 and \$5,000 coupon bonds and \$1,000 registered bonds. On 7 August 1917 Smillie completed a miniature version of *Ceres*, undoubtedly intended for the coupons of the previously mentioned coupon bonds.

On 27 March 1917 G.F.C. Smillie altered an engraving titled *Flora*. According to BEP records and the diary of the engraver, the original was apparently *Ceres*. On 17 August 1917 the engraver completed a miniature version of *Flora*. These two engravings were used on two Philippine Islands securities: the \$1,000, 4½%, 30-year gold loan bond, due in 1952, and the \$1,000 coupon face of a certificate of indebtedness. I have never seen these securities, consequently the alteration cannot be described.

The G.F.C. Smillie engraving of *Ceres* appears on two, \$10 military payment certificates. However, the image is reversed and is lithographically printed.

The first of these two \$10 notes was included in series 521, issued in May 1954; *Ceres* appears on the face. The other \$10 note was part of series 661, issued in October 1968; the image appears on the back. In both instances, about one-third of the lower portion of the figure has been cropped away.

A few years ago I found a piece of sheet music dated 1904. The young lady on the cover of "Heather Bells," by Gustave Lange, resembles the image under discussion here. Whoever the artist was—there is no credit—he or she might have been influenced by the original Lefebvre painting.



#### Sources

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 Cook, C. (1888). *Art and artists of our time*. Vol. 1. New York: Selmar Hess.  
 Pick, A. (1990). *Standard catalog of world paper money*. Vols. 1 & 2. Iola, WI: Krause Publications.  
 Schwan, F. (1981). *Military payment certificates*. Port Clinton, OH: BNR Press.



#### BOY TRAVELS AS FREIGHT TO BANK AS COLLATERAL

A recent news dispatch was sent out from St. Louis as follows:

One seven-year-old boy was received on a bill of lading at the Union Station here recently over the Iron Mountain Railroad from Monroe, Louisiana. He was consigned to a local bank as collateral for a board bill to be remitted to a bank at Monroe.

Mrs. J.J. Koontz, acting as agent for J.J. Koontz, father and owner of the boy, whose name is Arthur, called at the Union Station for the consignment, but the railroad officials refused to deliver him to her because she was not the consignee named in the bill of lading. The boy, still tagged, was taken to the bank in a taxicab.

A disputed board bill incurred by the boy being in Monroe for seven months caused the bill of lading to be issued. When the boy reached the bank the amount due was paid and the boy was turned over to his parents.

#### IMAGES MADE OF MONEY

The end of these old bills that have served their purpose so faithfully has a certain amount of pathos. If one is fortunate

enough to be present when a committee of three officers of the treasury send them to their destruction, a curious, almost indescribable sensation will creep over one, says *Harper's Round Table*. This destruction takes place in a room in the treasury building. There is a small table in the center of the room, and on this the bundled bills are piled in reckless confusion. Through two holes in the floor at the end of the table can be seen the large cylinders or macerators into which the bills are placed. They are about the size of locomotive boilers. A large funnel is inserted in one of the holes, and it connects with one of the macerators. The bills are then untied and thrown into the mouth of this funnel. It is amusing to see one of the committee take a stick when they become jammed and prod them through. When the last one is safely in a mixture of lime, and soda ash is placed in the macerator, a cover is clamped over the ventricle and each member of the committee fastens it with a separate lock. Steam is then turned on and the cylinders are set in motion. When the bills have been thoroughly macerated, the pulp is drawn out and taken to a paper machine, where it is made into sheets of paper and afterwards sold.

Some one suggested the idea of using part of the pulp to make fancy little images. The idea was adopted, and dainty little knickknacks made of the pulp can be bought in the stores in Washington. The salesmen often induce the possible purchaser to buy by telling him that the image at one time represented a large sum of money.—*Butte (Mont.) Miner*, Aug. 26, 1896.



## Noted & Passed

Austin M.  
Sheheen

Summer is here. That means a vacation planned for most of us. School is out and the weather pleasant for outdoor activities. Vacations mean travel—many times to historic sites around our great nation. History is made to come into focus by the wonderful hobby of collecting paper money. Most famous people and events in our nation's history are depicted on our paper money. In fact, if you are a serious collector of paper money you can learn more history from the hobby than any school could ever teach you. The next time you are putting those notes into an album, ask yourself what the vignettes on them stand for, who the printer was, why were they issued and the myriad other queries that are possible.

How many of us know how this country's monetary system developed? Why did it do so in the manner it did? Who was responsible for the major occurrences in monetary history? There is so much rich and intellectual information to be gained and to make you feel better about your hobby and your collection.

I guess the one thing that has become evident to me in my short time as your president is the inability of this organization to acquire new members and retain old members. If the hobby is as great as I say, and I sincerely believe it is, then we must be doing something wrong or we would be growing at a better rate. Many people join and later drop out. The *Bank Note Reporter* has many more subscribers than SPMC has members. Why? I don't yet know, but with your help I will try and find out. Letters are beginning to come in expressing members' suggestions and we will respond. This is your organization and you should make the Board of Governors run it as you want it done. I encourage your participation.

The ANA annual convention is in Orlando, Florida in August. It would be a great vacation for a family and a good opportunity to enjoy your paper money hobby during your vacation. Hope to see you there.

## Meet Your Charter Members

### Ralph H. Osborn



I was born on March 24, 1913 in Jackson, Michigan and grew up there. I graduated from Jackson High School in 1930 and left soon after to play cornet in a big band. I have some wonderful memories of those great days and good music and enjoyed them until I went into the Army in April 1941.

While in the band we had performed in the South and I loved the area, so I came to Raymondville, Texas in 1946 after my army discharge. I went to work for the Post Office in 1948 and retired

in 1972. I had been doing some piano tuning part time for several years and continued on with that until a couple of years ago.

When I was a youngster my mother had some old coins and got me interested in them. I started a set of Indian cents from my paper route.

About 1954, while shopping in Joske's store in San Antonio, which had a nice stamp and coin department, I saw a large-size silver certificate, F237 in CU for \$5 and bought it. That got me started as a paper money collector.

A few years later I bought a Texas Treasury Warrant (signed by Sam Houston) from Hank Bieciuk of Kilgore, Texas. When he sent it he enclosed an application for membership in a new paper money society. I promptly sent him the fee and received Charter No. 27.

Now I only collect 1929 national bank notes and use the rest of the collection as gifts to grandchildren, etc. I think our *PAPER MONEY* magazine is one of the nicest things I read and I am proud to be a member of the SPMC. I do appreciate all of the hard work that you officers do.

### Final Call for Sutler Paper

Rich Hartzog of *World Exonumia Press*, POB 4143BLL, Rockford, IL 61110-0643, will be publishing the new book "Sutler Paper," by Kenneth Keller. All collectors and dealers are invited to help complete the book. Photocopies of Sutler paper items are needed immediately. Please send your clear photocopies to:

Kenneth Keller  
9090 Kinsman-Pymatuning Rd.  
Kinsman, OH 44428

Pre-publication discounts will be available from the publisher.

### Letter to the Editor

Access to records of a large number of national banks was made available to me over a period of many years at the National Archives. My research was entirely of national banks that ceased to operate more than fifty years ago.

Then I requested records of existing national banks, and I was denied access. The officials at the National Archives informed that when the Comptroller of the Currency transferred these records to the custody of the Archivist of the United States several decades ago, he imposed specific restrictions that limited access to most records less than fifty years old and restricted all records of operating national banks. They directed me to page 161 of the *GUIDE TO NATIONAL ARCHIVES OF THE UNITED STATES*, which sets forth these specific restrictions.

My experience over many years with the National Archives was and is that the officials and staff were and are extremely competent and cooperative. I explained why I wanted and needed these records of existing national banks as well as records less than fifty years old for banks no longer in operation. Then I requested that this restrictive access policy be reviewed under the current Federal law. They agreed to conduct a review.

With the passage of the Freedom of Information Act, access to the records of the Comptroller of the Currency, and to all other records of the executive branch of the federal government, became subject to the provisions of this statute. The National Archives then advised me that after a policy review these restrictions are now relaxed to permit access to most records that had been previously restricted.

Researchers and collectors who were informed in the past that certain national bank records were denied to them should now apply again as a result of the present change of law and policy.

Jack H. Fisher

## In Memoriam 19 – 1992

### Aubrey E. Beebe



Mr. Beebe joined the Society of Paper Money Collectors because of the many advantages of being a member of our Society. Enclosed herewith is an article that appeared in the NLG (Numismatic Literary Guild) Newsletter some time ago:

In May, 1940, we made a trip to Hot Springs, Arkansas, to buy a sizeable gold coin collection, and while there we stopped by our friend Jim Spohn's hobby shop, hoping to buy some choice U.S. coins. After making a nice purchase, and just as we were about to leave, Mr. Spohn made a point to show us a nice collection of large-size notes that he had received on consignment from the famous Detroit dealer, Albert A. Grinnell. Mr. Spohn was correct in assuming that I would be fascinated with those beautifully engraved notes, and as he had had them for some time, he offered me the collection at exactly his cost.

So, we bought the notes that were still unsold, enabling Mr. Spohn to make payment to Mr. Grinnell. At Mr. Spohn's suggestion, I wrote to Mr. Grinnell to inform him of my purchase. Upon returning to Chicago, I lost no time in doing so. I informed Mr. Grinnell that I would like to buy other notes for resale to customers, and wondered if he could make lower prices on his consignment. In response, Mr. Grinnell forwarded a consignment, which, as I recall, amounted to about \$1,500, and instructed me to send payment when we finally sold all the notes.

From this initial purchase began many years of a long, enjoyable association. Mr. Grinnell never hesitated to impart his knowledge and experience. Also, seeing that I was very enthusiastic in dealing in paper money, he suggested, in fact, encouraged me to form a collection of large-size notes, and advised me to first buy the scarcest notes and to try to get them in the choicest condition possible. So, feeling gratefully indebted to my great friend and coach, we bought an 1896 \$2 silver certificate in pristine condition. Thus started the Aubrey and Adeline Beebe Collection of United States Paper Money.

Of the numerous contributing factors, which made it a great time to form a choice collection of paper money, was the liquidation of the vast Col. Ned Green Estate, which was proceeding under the direction of the noted F.C.C. Boyd. Boyd had been appointed Executor, and worked with the able assistance of James M. Wade, then a vice president at the Chase Bank, where the massive hoard of notes was stored.

Mr. Wade told me that an initial payment for inheritance taxes was sent to the Treasury Department in Washington that consisted of \$200,000 (face value) of large-size paper money. Also, at that time, the Estate would allow a minimum purchase of notes of \$10,000 at face value plus a \$10 premium charge. One of the numerous collectors and dealers who took advantage of that great opportunity was, as I recall, Mr. B. Max Mehl, the noted dealer from Fort Worth, Texas. I distinctly recall that Mr. Mehl showed up at the ANA Convention in Chicago in 1944 with several packs of scarce notes, the scarcest being a pack of 1923 \$10 legal tender notes F123 and a pack of 1890 \$10 coin notes F368. Mr. Mehl was offering them in lots of five notes at the seemingly low price of \$16.50 per note. Yes, yours truly went all out and bought 10 of each issue. And Mr. Mehl still had a supply of each issue after returning to Fort Worth.

One often hears stories about Mr. Mehl, some of which may not be true, but from actual experience I know that he never took a bourse table. His luggage, with a big fortune of coins, was in his room and was available when making a personal contact with him. Today, it hardly seems that such a "safe period" existed as it did then.

Aubrey Beebe, PNB member #1, was a professional coin dealer for more than 50 years. His advertisements ran continually in *The Numismatist* since 1941. He and Mrs. Beebe donated their fabulous personal collection of paper money (valued at more than \$2 million) to the Museum of the American Numismatic Association in Colorado Springs several years ago. He complemented this collection—now on permanent display in the museum—by donating two key American rarities: the 1913 Liberty nickel (formerly the McDermott specimen) and the 1804 silver dollar, formerly the Idler coin. These gifts to the ANA, worth over \$4 million, are in large measure responsible for the ANA today having a world class money museum. The collecting fraternity will miss Mr. Beebe and is grateful for his contributions.

## NEWS RELEASE

### Book Released at the Memphis IPMS

Gene Hessler has completed the fifth edition of his award-winning standard reference, *The Comprehensive Catalog of U.S. Paper Money*.

As with each edition of this standard reference and all of Hessler's work, this volume includes many innovations and additions. The most obvious addition is full color illustrations of production work in progress at the Bureau of Engraving and Printing.

The color is hardly the most spectacular nor important change however. This honor probably goes to the new listings of federal treasury since 1812. No other catalog has recognized these historically important notes.

Hessler consulted with collectors around the world in assembling the information for this section alone. He conducted extensive research in

the bureaus and departments of the U.S. Treasury in Washington, D.C. There he found information and material for illustration which has evaded detection for generations. In some cases he was able to obtain studio quality photographs; in other cases he had to take photographs by hand while crouched between dimly lit mountains of musty documents.

Of course prices which are given in three conditions for most issues have been completely revised in line with market conditions. However, the listings include much additional interesting and new information. Data concerning quantities issued and retired, in many cases by signature combination, may be found in the listings. For the first time, the serial numbers of known examples of rare notes are listed so that they may be compared with other pieces which may become available.

Specialists in virtually every area of United States paper money will find significant information here. National bank note collectors will find



information on varieties that may not be found in other catalogs. An extensive list of national banks which issued currency is included. This list is in alphabetical order by city name and gives the charter numbers associated with the city of issue.

Just as with all other areas, the listings for error notes, fractional currency, encased postage, and sheets have been revised to include new information. While the section on Military Payment Certificates (MPC) is relatively small, it includes up-to-the-minute information on the number of replacements reported in collections and data on engravers and artists which have never been published.

One of Hessler's personal specialties is studying engravers and engravings. The book amply demonstrates this fact with fascinating information. Most vignettes which have been used on United States paper money are identified. In many cases information about the original artists and engravers is also included.

Subtle changes include the replacement of routine illustrations with more interesting examples. Many new photographs of notes with serial number one (or number 100,000,000) are now used simply to illustrate the type.

Two other volumes complete Hessler's trilogy of United States Paper Money—*An Illustrated History of U.S. Loans 1775-1898* and *U.S. Essay, Proof and Specimen Notes*—were published in 1988 and 1978 respectively. The release of these references are landmarks in the history of paper money research because of the unparalleled depth and breadth of new information which they presented. *An Illustrated History* . . . uncovered spectacular American fiscal documents which had never been recorded in numismatic literature. It is a classic book. After nearly 15 years the *Essay, Proof* . . . volume remains the only reference of its kind. Mr. Hessler has received five major awards from the numismatic community for these two books and the *Comprehensive Catalog*.

*U.S. Essay, Proof* . . . and *Comprehensive Catalog* . . . are available from BNR Press, 132 East Second St., Port Clinton, OH 43452-1115, or from dealers around the country. The *Comprehensive Catalog* . . . is \$29.95 softcover and \$39.95 hardcover, *U.S. Essay, Proof* . . . is \$19.50 and *An Illustrated History* . . . is \$50.00.

## money mart

Paper Money will accept classified advertising from members only on a basis of 15¢ per word, with a minimum charge of \$3.75. The primary purpose of the ads is to assist members in exchanging, buying, selling, or locating specialized material and disposing of duplicates. Copy must be non-commercial in nature. Copy must be legibly printed or typed, accompanied by prepayment made payable to the Society of Paper Money Collectors, and reach the Editor, Gene Hessler, P.O. Box 8147, St. Louis, MO 63156 by the first of the month preceding the month of issue (i.e. Dec. 1 for Jan./Feb. issue). Word count: Name and address will count as five words. All other words and abbreviations, figure combinations and initials count as separate. No check copies. 10% discount for four or more insertions of the same copy. Sample ad and word count.

**WANTED: CONFEDERATE FACSIMILES** by Upham for cash or trade for FRN block letters, \$1 SC, U.S. obsolete. John W. Member, 000 Last St., New York, N.Y. 10015.

(22 words: \$2: SC: U.S.: FRN counted as one word each)

**OHIO NATIONALS WANTED.** Send list of any you have. Also want Lowell, Tyler, Ryan, Jordan, O'Neill. Lowell Yoder, 419-865-5115, P.O.B. 444, Holland, OH 43528. (163)

**FIRST CHARTER NATIONALS WANTED,** all denominations from \$1 thru \$100, also want Michigan nationals thru \$100 denomination and large and small-size U.S. type notes, serial number "1," 11111111 thru 99999999 and 100000000. Buying and paying collector prices. Jack H. Fisher, 3123, Bronson Blvd., Suite A, Kalamazoo, MI 49008. (163)

**DISTRICT OF COLUMBIA INFORMATION WANTED:** Looking for Washington DC notes, want to record charter, denom., type and serial



### NEW MEMBERSHIP COORDINATOR

**NEW MEMBERS**  
Ronald Horstman  
P.O. Box 6011  
St. Louis, MO 63139

- 8223 P.W. Coombe, 15 Kings Highway, Dover, DE 19901; C, obsoletes.
- 8224 Donald Jackson, 3307 Van Buren, El Paso, TX 79930; C.
- 8225 Greg C. Clawson, 3565 Long Dr., St. Ann, MO 63074; C, Stocks, bonds, checks and MPC.
- 8226 Mike Gibson, P.O. Box 1313, Rowlett, TX 75088.
- 8227 Larry Thomas 3603 Copper Kettle Way, Orange, CA 92667; C, Sm.-size star notes & fancy ser. nos.
- 8228 Rick Rounds, 18712 Evergreen Ave., Yorba Linda, CA 92686-2536; C, Large & small U.S.
- 8229 Jerry L. Pattillo, 1954 Rambling Ridge Dr., Carrollton, TX 75007; C.
- 8230 Steven Frager, 33 Dover Rd., Dover, MA 02030; C, Fractionals & U.S. notes.
- 8231 Coy Fitzhenry, 2706 Hot Springs, Pearland, TX 77581; C, Nat. BN.
- 8232 Mark Rielly, 504 Greenridge Rd., Bel Air, MD 21015; C, U.S. fed. & obsoletes.
- LM116 Robert W. Liddell III, Rt. 1, Box 241A, Milan, PA 18831; Conversion from 8191.
- LM117 Bob Kalinowski, 1266 Akele Street, Kailau, HI 96734.
- LM118 Ian A. Marshall, Conversion from 7731.
- LM119 Dan Pausner, 2521 Wisper Way, Tallahassee, FL 32308-3913.
- LM120 George H. Decker, 37406 Turner Dr., Umatilla, FL 32784; Conversion from 3242.
- LM121 Michael R. Coltrane, 1009 Burrage RD NE, Concord, NC 28025; Conversion from 6732.

numbers. If note is for sale please let me know, by including price and condition. Special interest in Ch. Nos. 26, 526, 627, 682, 875, 1893, 2358, 2382, 4195, 4244, 4247, 4522, 7936, 10825. Bob Bolduc, 9350F Snowden River Parkway, Suite 238, Columbia, MD 21045. (163)

**NEW YORK NATIONALS WANTED FOR PERSONAL COLLECTION:** TARRYTOWN 364, MOUNT VERNON 8516, MAMARONECK 5411, Rye, Mount Kisco, Hastings, Croton on Hudson, Pelham, Somers, Harrison, Ossining, Yonkers, White Plains, Irvington, Peekskill, Bronxville, Ardsley, Crestwood, New Rochelle, Elmsford, Scarsdale, Larchmont, Port Chester, Tuckahoe. Send photocopy; price. Frank Levitan, 4 Crest Avenue, Larchmont, NY 10538, (914) 834-6249. (163)

**TEXAS NATIONALS WANTED** from Albany, Alto, Lufkin, Nacogdoches and Robert Lee. Also want memorabilia from these cities. Bobby Sowell, 316 Humason, Lufkin, TX 75901. (161)

**OLD STOCK CERTIFICATES!** Catalog plus 3 beautiful certificates \$4.95. Also buy! Ken Prag, Box 531PM, Burlingame, Calif. 94011. Phone (415) 566-6400. (182)

**WANTED TO BUY:** Complete set of Haxby. Should be almost unused. Paying \$75 plus shipping or \$95 incl. shipping. Write first. Len Harsel, P.O. Box 2301, Springfield, VA 22152.

**LANCASTER, NY:** wanted Charter 11912 large & small nationals, also Merchants Bank of Erie County (at Lancaster) ca. 1860s. Norman Peters, P.O. Box 29, Lancaster, NY 14086. (162)

**PRIVATE COLLECTOR OF ERRORS LOOKING FOR U.S. SMALL-SIZE ERRORS.** Want to buy any quantity, any condition, and however slight the error. Send your list with your asking price. J.B. Gandy, 2716, 3A Waterford Way, Midlothian, VA 23112. (163)

**TEXAS NATIONALS WANTED** from Albany, Alto, Lufkin, Nacogdoches and Robert Lee. Also want memorabilia from these towns. Bobby Sowell, 316 Humason, Lufkin, TX 75901.

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Prices did go up due to a major rise in the cost of the raw material from the suppliers and the fact that the plant workers want things like pay raises etc. but don't let a few cents cost you hundreds of dollars. You do know—penny wise and pound foolish.

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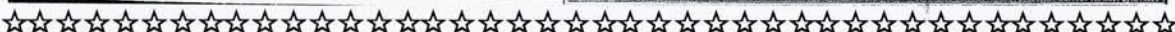
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Sealed Bid Auctions also prevent attempts to "cut up" an auction or to intimidate bidders. Having said all that, there are still circumstances that wise council would dictate a floor auction. In our opinion this would be particularly true for a sizable state or regional collection along the lines of the Philip Krakover collection auction that was so successfully conducted in San Diego in March, 1990. Nationals, obsoletes, scrip and related material in particular benefit from being sold in the area where they originated. We are open to a late fall or spring auction and we are presently considering several possibilities. If the time to sell is approaching as part of your plans, we are qualified and prepared to conduct an auction at the most advantageous location and time that your material warrants. Please advise us of your interest at your earliest convenience as we prefer to limit ourselves to two auctions a year and we require adequate time to properly prepare our catalogs.

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Collectors who have bid in any of our last six auctions will continue to receive our catalogs. Others should advise us of their interest. The economics of maintaining a large mailing list in the 1990s dictates the removal of inactive names. We make no charge for our catalogs and wish to continue to send them to all interested parties. If you wish to receive your copy via first class mail and the prices realized after the sale, please remit \$5.00. Stamps are acceptable.



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